

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

August 14, 2002

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The meeting was called to order by Chairman William J. Keese at 10:00 a.m.

The Pledge of Allegiance was given by Ex-Officio Margaret Kim.

William J. Keese	Present
Robert Pernell	Present
Arthur Rosenfeld	Present
James D. Boyd	Absent
John L. Geesman	Present
Margaret Kim, Ex-Officio	Present

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda)
 - a. COMMISSION CO-SPONSORSHIP. Possible approval of a co-sponsorship request for which the Energy Commission will lend its name, include promotional material with regularly scheduled mailings and provide financial support.
 - SOLFEST 2002, August 24-25, 2002, Real Goods Institute for Solar Living, Hopland, California.
 - b. SUNRISE POWER PROJECT (98-AFC-4C). Possible approval of a petition to revise an air quality condition of certification to allow flexible quarterly emission limits for the simple-cycle power plant during 2002/2003 without an increase in annual emission limits.
 - c. RENEWABLE ENERGY PROGRAM. Possible approval of Environmental and Energy Infrastructure and Licensing Committee recommendation to extend conditional funding awards under the New Renewable Resources Account, pursuant to Public Utilities Code section 383.5(c)(2)(B), for the following projects:
 - Wintec Energy, Ltd., #2, Carver Facility, 3.75-mw wind, Riverside County, \$808,376.80, on-line July 2, 2003.
 - Keating Associates Tungstar Project, .99-mw hydro, Inyo County, \$80,418.26, on-line July 2, 2003.
 - City of Sunnyvale Power Generation Facility, 1.6-mw landfill gas, Sunnyvale, \$210,448, on-line July 1, 2003.
 - d. RESOURCE CONSERVATION MANAGER PROGRAM. Possible approval of a \$10,000 grant to SMUD to purchase energy efficiency marketing materials for six participating school districts. This grant would provide energy efficient stickers, door hangers, used as tools for teachers, custodians, students and staff to remind them to turn off lights, check thermostats, close windows and any other energy conservation measures. (Rebuild America funded)

- e. BLYTHE ENERGY, LLC. Possible approval of a Petition from Blythe Energy, LLC, to amend the Blythe Energy Project (BEP) Decision to add 66 acres for the deposition of excess sediments excavated from the BEP site. Cultural and Biological conditions of certification will be added and modified to reduce or mitigate impacts to insignificance. (Docket No. 99-AFC-8C).

Commissioner Rosenfeld moved and Commissioner Pernell seconded approval of the Consent Calendar. The vote was unanimous. (4-0)

2. RUSSELL ENERGY CENTER. Commission consideration of a Petition for Reconsideration of the Committee's denial of a Petition to Intervene in the case and to be allowed two-months additional time to prepare testimony.

Commissioner Geesman moved and Commissioner Rosenfeld seconded denial of the Petition for Reconsideration of the Committee's denial of the Petition to Intervene. The vote was unanimous. (4-0)

3. EAST ALTAMONT ENERGY CENTER (Docket No. (01-AFC-4). Commission consideration of an Appeal Petition for Reconsideration of the Committee's denial of a Petition by CARE to Intervene in the case.

Commissioner Pernell moved reversal of the Committee's denial of the Petition by CARE to Intervene. The vote was unanimous. (4-0)

4. RENEWABLE ENERGY PROGRAM. Possible approval of Environmental and Energy Infrastructure and Licensing Committee revisions to the *Guidebook for the Renewable Energy Program, Volume 2A - New Renewable Resources Account* to allow funds made available through award cancellations or penalties to be reallocated to winning bidders whose awards were reduced under Rule 9 of the auction protocols.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the revisions to the Guidebook for the Renewable Energy Program, Volume 2A-New Renewable Resources Account. The vote was unanimous. (4-0)

5. BATTERY BACKUP SYSTEM PROGRAM. Possible approval of matching grants to 125 local governments totaling \$7,256,364 for installation of Battery Backup Systems for LED traffic signal intersections in case there are power outages. The funds are from SB84XX.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of matching grants to 125 local governments. The vote was unanimous. (4-0)

6. ENERGY CONSERVATION ASSISTANCE ACT ACCOUNT. Possible approval of a \$2,000,000 loan to the county of San Diego to install 110 kilowatt Photo Voltaic (PV) panels, energy efficient lights, Variable Frequency Drives (VFDs) on motors, sky lights and energy conservation controls. This project is estimated to save the County about \$238,000 annually in reduced energy cost and have a simple payback of 8.4 years.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of a loan

to the county of San Diego. The vote was unanimous. (4-0)

7. LOCAL JURISDICTION ENERGY ACCOUNT. Possible approval of a loan to the city of Oakland for \$270,968 to install energy efficient lighting in City buildings comprising approximately 2.7 million square feet. The project has a simple payback of 4.9 years and will reduce annual energy use by an estimated 495,058 kilowatt-hours and reduce the City's load by 172 kilowatts. Staff is asking for a waiver of the usual twenty-five percent matching requirement for LJA projects to enable funding of several additional projects through the ECAA account.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of a loan to the city of Oakland. The vote was unanimous. (4-0)

8. LOCAL JURISDICTION ENERGY ACCOUNT. Possible approval of a loan to Monterey Peninsula Unified School District for \$1,946,466 to finance lighting efficiency improvements at seventeen of its schools.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of a loan to the Monterey Peninsula Unified School District. The vote was unanimous. (4-0)

9. INTER-CON SECURITY. Possible approval of Contract 200-02-002 for \$87,000 for a Emergency Master Services Agreement for around-the-clock unarmed security guards from September 1, 2002 through January 31, 2003 for the Energy Commission Building. (ERPA funded)

Commissioner Geesman moved and Commissioner Pernell seconded approval of Contract 200-02-002. The vote was unanimous. (4-0)

10. GAS TECHNOLOGY INSTITUTE. Possible approval of Contract 500-02-005 for \$1,480,023 to develop and demonstrate an ultra-high efficiency, environmentally superior and cost-competitive partial-oxidation gas turbine system for combined electricity and high-temperature hydrogen-enriched fuel gas production suitable for application in a wide range of utility and industrial processes.

Commissioner Rosenfeld moved and Commissioner Pernell seconded approval of Contract 500-02-005. The vote was unanimous. (4-0)

11. UNIVERSITY OF CALIFORNIA, OFFICE OF THE PRESIDENT (UCOP). Possible approval of Interagency Agreement 500-02-004 in the amount of \$20,000,000 for a four year R&D program. The purpose of this agreement is to fund research, development and demonstration awards for the Public Interest Energy Research (PIER) Program. Awards will primarily be made to researchers within the University of California, California State University and California Community College systems, Department of Energy Labs, and governmental agencies and academic institutions of higher education from any state. UCOP shall be responsible for executing and administering specific Work Authorizations (WA) with researchers, and each WA will be presented to the Commission for approval. This agreement provides standardized terms and favorable overhead rates for research conducted under PIER throughout the UC system. (PIER funded)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of

Interagency Agreement 500-02-004. The vote was unanimous. (4-0)

12. Minutes

Commissioner Rosenfeld moved and Commissioner Pernell seconded the approval of the July 2, 2002, July 17, 2002, May 23, 2000, July 26, 2000 and August 9, 2000 minutes. The vote was 3-0 with Commissioner Geesman abstaining. (3-0-1)

13. Commission Committee and Oversight

Chairman Keese discussed Siting Case Committees and asked for a motion to put Commissioner Geesman in the cases where Commissioner Laurie vacated. Commissioner Pernell moved and Commissioner Rosenfeld seconded the change in the Siting Committees. The vote was unanimous. (4-0)

14. Chief Counsel's Report

No report was given.

15. Executive Director's Report

Executive Director Steve Larson announced the retirement of Nancy Deller, Deputy Director for the Transportation Energy Division. Mr. Larson indicated that Ms. Deller would be retiring on September 20, 2002 and that in order to have a smooth transition, replacing her would be Scott Matthews, Deputy Director for the Energy Efficiency and Demand Analysis Division. Mr. Larson encouraged applicants for Mr. Matthews's now-vacant position.

16. Public Adviser's Report

Public Adviser Roberta Mendonca discussed three surveys by her office on the services that they provide. Her Office has surveyed intervenors and applicants, and is beginning of survey of Commission employees.

Ms. Mendonca also addressed a problem that a member of the public had regarding the phone system and being cut off and not being able to hear. Ms. Mendonca assured her that we would address the problem.

17. Public Comment

A letter was read into the record regarding the persons who prepare documentation for building permits for Title 24 construction. The author of the letter stated the person or persons should be certified by the state of California through CABEC or a similar entity. Chairman Keese stated that the letter would be forwarded to the appropriate Committee for a response.

18. CALIFORNIA CONSUMER POWER AND CONSERVATION AUTHORITY. Possible approval of Contract 500-02-006 to accept up to \$25 million to provide additional rebates for public schools (K-12) who install solar electric (photovoltaic) systems. The funds would be used to supplement funds offered through the Emerging Renewable Resources Buydown Program for schools who develop and implement a renewable energy education plan and have taken certain energy efficiency improvement measures.

This item was held over to the August 28, 2002 Business Meeting.

The meeting was adjourned at 12:05 p.m. and immediately moved to the third floor conference room for a briefing on Commission workplans. No vote was taken. The public was invited to attend.

BETTY A. McCANN
Secretary to the Commission